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| General sales conditions |
| 1. Scope1.1 These general conditions apply to all the supplies made by SC FERONERIA PROD SA, having its head office in Arad, Strada 6 Vânători, nr. 51-53, Arad County, Romania (hereinafter called “FERONERIA PROD”) to the buyer. No general conditions of the buyer shall apply to the transactions with FERONERIA PROD, unless they are expressly approved in writing by FERONERIA PROD. The buyer’s acceptance of the offer of FERONERIA PROD or the order confirmation from FERONERIA PROD, however made, shall imply the application of these general conditions to the sales contract.2. Orders2.1 The buyer’s orders shall become binding following a written order confirmation. The execution of the order is equivalent to the acceptance of the order (hereinafter called the “Binding order”). Each offer made by third parties (agents, representatives, etc.) shall become binding for FERONERIA PROD only after the latter’s written confirmation.2.2 A Binding order shall be executed according to the provisions referred to in the order and to these general conditions. Any other documents shall apply only if this is expressly and mutually agreed by the parties.2.3 Should the buyer request the change of the Binding order, FERONERIA PROD shall decide, at its discretion, whether to accept such a request and how to adjust the price accordingly. Should FERONERIA PROD accept the partial and/or total cancellation of an order, the customer shall reimburse all costs borne by FERONERIA PROD up to the cancellation or to pay the full price of the product if the production has been already executed.2.4 The characteristics, the prices and other data included in catalogues, price-lists or other illustrative documents of FERONERIA PROD, as well as the characteristics of the samples and models sent to the buyer are non-binding, unless explicitly mentioned as binding in the Binding Order.2.5 Any estimates sent by FERONERIA PROD are considered binding for a term of 1 month from the date of such notification, unless specified otherwise.2.6 FERONERIA PROD shall reserve the right to change and/or improve the products as it considers appropriate at any time. If such changes are necessary to ensure the conformity of its products with the legal provisions in force, FERONERIA PROD may also change the characteristics of the products already ordered by simply notifying the buyer on such changes. In any case, the buyer shall not be entitled to damages.3. Deliveries/execution of orders3.1 Unless otherwise specified in the Binding Order, the products shall be delivered according to the delivery terms mentioned below and set forth by the ICC’s Incoterms® 2010:Romania: DAP Incoterms® 2010 - carriage free for orders => 4000 RON- shipping fee for orders , of 100 lei for orders < 4000 RONEU (Member States of the European Union where no customs duties are applied) DAP Incoterms® 2010 - carriage free for orders => EUR 5,000Rest of the world: as specified in the Binding OrderThe delivery conditions referred to below and/or in the Binding order are only indicative and are to be understood as comprising an adequate grace period in favour of FERONERIA PROD. In any case, the delivery terms are not essential.The delivery terms for standard goods are as follows (the classification by status is mentioned in the catalogue of FERONERIA PROD):Status “A”: prompt delivery (or, in case of lack of goods, prompt notification from FERONERIA PROD within 30 days from the order confirmation date)Status “B”: within 30 days from the order confirmation dateStatus “C”: within 60 days from the order confirmation dateStatus “D”: within 90 days from the order confirmation dateThe delivery terms for the goods ordered by the buyer shall be agreed upon a case-by-case basis.3.2 In order to satisfy internal needs, FERONERIA PROD may, at its discretion, break down a delivery of products into several partial deliveries. FERONERIA PROD shall be entitled to apply a price increase when the buyer requires urgent deliveries (“urgent” means not within the standard transportation terms) in order to cover additional management, logistics and transportation costs. These costs may vary from time to time.3.3 Should the execution of the order require the obligation to procure parts manufactured from third parties, the execution of the order shall be contingent upon the proper performance by such third parties. **4. Prices and payments**  4.1 Prices, including packaging (the packaging units are indivisible) are those shown in the price lists of FERONERIA PROD in force when receiving the purchase order. Each new price list shall automatically replace the previous one.  4.2 Should a binding regulation involving an increase of the order execution costs enter into force after the acceptance of the order, FERONERIA PROD shall reserve the right to adjust the price correspondingly.  4.3 Payments and any other amount due to FERONERIA PROD for whatever reason shall be understood as net at the creditor’s domicile. For no reason whatsoever, including complaints concerning the products supplied, the buyer may suspend the payments due. The payment terms shown on the invoices shall be understood as essential terms.  4.4 For each invoice which will not have been paid by the due date, we will calculate accrued interest on arrears, by applying the official interest rate in force.  4.5 Should the buyer, for whatever reason, not settle the payment due, FERONERIA PROD may, at its discretion, either suspend the execution of the ongoing orders, regardless of the fact that they have already been confirmed, until the complete settlement of the amounts due on the basis of the orders already carried out, or require suitable guarantees of payment from the buyer, or unilaterally change the payment terms for the orders still to be carried out.  4.6 No offsetting with any receivables from FERONERIA PROD arisen for any reason whatsoever shall be permitted.  **5. Retention of title and transfer of risks**  The products supplied shall remain the property of FERONERIA PROD until full settlement of the price of the relevant order. For this purpose, the buyer shall commit itself to take the necessary measures to establish a suitable retention of title, extended as legally admitted, in the country where the products are located or to establish a similar form of guarantee in favour of FERONERIA PROD. Should a third party creditor of the buyer attempt to seize the goods referred to in the retention of title, the buyer shall (i) promptly notify FERONERIA PROD and (ii) take all necessary measures to safeguard the property rights of FERONERIA PROD.  Regardless of the delivery term applied, the risk of deterioration and/or of damage of the products shall pass from FERONERIA PROD to the buyer when handing over the products to the first carrier.  **6. Guarantee and responsibility/limitations**  6.1 FERONERIA PROD shall guarantee that the products comply with the specifications mentioned in the order and with the Romanian legislation in force at the time of the order confirmation and that they are free from engineering, material and construction defects caused by FERONERIA PROD. In particular, FERONERIA PROD shall not give any guarantee of compliance with the legislation in force in the country of destination of the products and shall not guarantee that the products are suitable for the buyer’s intended use. The buyer shall be responsible for complying with all the regulations in force concerning marketing and the use of the Products (including the safety regulations).  In any case, the buyer’s guarantee referred to in this article shall be voided in the following cases: (i) installation and/or use and/or maintenance of the products not in compliance with the information and operating instructions of FERONERIA PROD, (ii) changes and/or repairs without the prior written authorization of FERONERIA PROD, (iii) normal wear of the products and/or no regular settlement of the product payment by the buyer; (iv) defects resulting from the buyer’s engineering and technical specifications, instructions given by the buyer and, more generally, any defects due to the buyer’s fault or to activities carried out on the Products by the buyer without the approval of FERONERIA PROD.  Furthermore, should FERONERIA PROD use third party’s parts for manufacturing the Products, the guarantee of FERONERIA PROD vis-à-vis the buyer concerning such third parties’ products shall be limited to the rights granted by such third party to FERONERIA PROD.  The guarantee referred to in this article shall last 10 years for fully mechanical products and 3 years for all other products, unless otherwise stated. Both periods shall start from the delivery date.  6.2 The buyer shall inspect the goods immediately upon delivery. The quantity of the individual batches recorded by FERONERIA PROD when they are sent from its headquarters shall be considered to correspond to the quantity received by the buyer at the time of delivery, unless otherwise proven by the buyer. When receiving the goods, the buyer shall commit himself to notify any visible defect and/or non-conformity in writing within 8 days after delivery by registered letter with acknowledgement of receipt using the return form that may be made available to the customer upon its request by the commercial department. Any hidden defects shall be notified in writing by registered letter with acknowledgement of receipt within 8 days after they have been found. Failure to meet the above-mentioned term shall lead to forfeiture of each buyer’s right resulting from the defects found |
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| 6.3 As a result of a defect notification and within 8 days after the defect has been found, the buyer shall send the product considered to be defective to FERONERIA PROD, at its own expense, for inspection or should the nature of the product require it, allow FERONERIA PROD to carry out an inspection on site.  6.4 In any case, products shall be considered defective only after the technicians of FERONERIA PROD have ascertained the presence of the defects. In this case, FERONERIA PROD shall repair the defective product, or, should no repair be possible or should a repair involve excessive costs, FERONERIA PROD may, at its discretion, replace the defective product with a conforming product or issue a credit note for the value of the product. FERONERIA PROD shall not be liable for disassembling, transport, reassembling, reinstallation and inspection costs of the defective products covered by this guarantee.  6.5 Should the case of non-conformity result from circumstances not caused by FERONERIA PROD, FERONERIA PROD shall not be liable in any way.  6.6 The liability of FERONERIA PROD for the product shall be limited to direct damages. In no case, FERONERIA PROD shall be liable for indirect damages or however for damages such as, including but not limited to, reputational damages, damages resulting from loss of use, loss of production, loss of goodwill, loss of profits, loss of contracts, loss of business, loss of income, losses resulting from an increase of operating costs or financial or economic losses. Unless wilful misconduct and gross negligence are proven, the full liability of FERONERIA PROD for all claims of any kind of losses or damages resulting from the observance or non-observance of these conditions in connection with an order may not exceed, in any case, a value equal to the order value.  **7. Intellectual property**  7.1 In any case, the execution of the Binding Order shall not involve a transfer of the intellectual property rights of FERONERIA PROD. FERONERIA PROD is and shall remain the exclusive owner of these rights. Similarly, no license concerning these rights shall be granted.  7.2 The buyer may not remove or change the distinctive marks of FERONERIA PROD on the products.  7.3 Any drawings or technical documents supplied to the buyer for the purpose of manufacturing or assembling the products sold or parts of them shall remain the exclusive property of FERONERIA PROD and may neither be used by the buyer nor copied, duplicated, transmitted or communicated to third parties without the prior approval of FERONERIA PROD. FERONERIA PROD shall not transfer any property rights concerning its software supplied to the buyer. The buyer may neither export nor re-export the software with no relevant license. The buyer shall be forbidden to change the software, carrying out reverse engineering or decompiling or disassembling activities and to license it to third parties (except for cases when, according to the type of software supplied, the license to third parties was tacit or was included in the specific contract with the buyer).  7.4 Should FERONERIA PROD manufacture the products according to the buyer’s instructions, drawings etc. the buyer must hold FERONERIA PROD indemnified from any claims by third parties for breach of their exclusive property rights to the extent that such breach results from the instructions given by the buyer.  **8. Force Majeure**  8.1 Neither Party shall be held responsible for the breach of any clauses in these conditions and/or in the order confirmed and/or for the delayed fulfilment of the relevant obligations if such breach and/or delay result from circumstances beyond the reasonable control of the Parties, including but not limited to, acts of God, acts of the government, strikes, riots, shortages of necessary supplies and/or lack of means of transport.  8.2 The Party affected by the event of force majeure shall immediately notify the other Party in writing of the event and of the estimated duration. The fulfilment of the obligations of the Party affected by the event of force majeure shall be suspended for the duration of such force majeure.  8.3 Should such circumstances last more than three months, the other Party shall have the right to terminate the contract with immediate effect by notice in writing to be sent by registered letter with acknowledgement of receipt.  **9. Competent court and governing law**  Any dispute relating to or however in connection with these general conditions, and/or the sales contracts entered into according to these general conditions shall be settled by the Court in Arad. FERONERIA PROD shall have the right to proceed against the buyer before any other competent court. These general conditions as well as each individual supply carried according to them shall be governed by the Romanian law. |